

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Clerk Recorder

BOARD AGENDA # *B-10(b)

Urgent

Routine

AGENDA DATE March 25, 2008

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Set a Public Hearing on April 22, 2008 at 9:15 a.m. to Introduce and Waive the First Reading of an Ordinance to Establish New Fees for the Clerk Recorder Department

STAFF RECOMMENDATIONS:

Set a Public Hearing on April 22, 2008 at 9:15 a.m. to Introduce and Waive the First Reading of an Ordinance to Establish New Fees for the Clerk Recorder Department.

FISCAL IMPACT:

The social security number (SSN) truncation program is anticipated to cost about \$1,613,800 to truncate social security numbers from documents recorded starting in 1980 through the year 2017. This cost will be offset by the estimated revenue of \$1,600,000 (see Attachment A, Table 2) that this \$1 per document charge will generate through 2017. If approved, the new fee will begin on July 1, 2008 and continue through December 31, 2017 and will be collected in a separate trust fund. If all costs related to the social security number truncation program have not been offset, the County Recorder may request that the Board extend the fee until the costs of the program are completely recovered.

BOARD ACTION AS FOLLOWS:

No. 2008-209

On motion of Supervisor Grover, Seconded by Supervisor DeMartini

and approved by the following vote,

Ayes: Supervisors: O'Brien, Grover, Monteith, DeMartini, and Chairman Mayfield

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No. ORD-55-G-8

FISCAL IMPACT: (cont'd)

If the Board authorizes the collection of this \$1 fee, the Board must also direct the Auditor to conduct two reviews to verify that the funds generated by this fee are used only for the purpose of the social security number truncation program.

DISCUSSION:

AB 1168 recognizes the need for government to act to protect individual members of the public from identity theft. Many documents are recorded or filed with the County Recorder that contain social security numbers. The purpose of AB 1168 is to minimize the collection, use, storage and retention of social security numbers. Thus, AB 1168 has added the responsibility and authority to the County Recorder of truncating social security numbers to display only the last four digits on official records recorded during the time period from January 1, 1980 to the present and into the future. Recognizing that this is a new responsibility, the Bill authorizes the County Recorder to collect, upon authorization of the Board of Supervisors, an additional \$1 charge per document to pay for this new program through December 31, 2017. The bill allows County Recorder to request an extension of the fee from the Board of Supervisors if all of the costs associated with maintenance and support of this program have not been collected.

As a condition of approving the fee, the bill requires that the Board will direct the county auditor to conduct two reviews of the program to verify that the funds generated by this fee are used only for the purpose of this program. The bill requires that the Board to direct that the first review be completed not before June 1, 2012, or after December 31, 2013, and that the second review be completed not before June 1, 2017, or after December 31, 2017.

AB 1168 requires the County Recorder to establish a social security number (SSN) truncation program. More details about the program will be developed by the Recorder as discussions with vendors about the capabilities of their respective social security number redaction solutions are known. The SSN Truncation Program is planned to start on July 1, 2008. The Program will have two major elements.

First, the Clerk Recorder will create and redact historical records, those recorded from January 1, 1980 to June 30, 2008. This portion of the program has three major elements:

1. Records from 1980 through March of 1993 must have an electronic image created. The exact scope of this effort has not been developed but could include: creating electronic images from microfilm and creating electronic indexing of the records. It is estimated that there are 500,000 documents and 2,500,000 pages that must be scanned in this time period. This portion of the project is estimated to cost about \$364,000.
2. Records from March 1993 through June 30, 2008 must be reviewed and any missing images must be created from microfilm. It is estimated that there are 30,000 documents and 150,000 pages that must be scanned from microfilm. This portion of the project is estimated to cost about \$21,000.
3. Records from 1980 thru June 2008 must be examined for SSN and truncate them if found. There are an estimated 3,000,000 documents with an estimated 15,000,000 pages that must go through this process. This portion of the project is estimated to cost about \$748,800.

The Recorder plans to solicit bids and engage the professional services of specialists to complete the above three elements. The Department expects this project to take three years to complete at an estimated cost of \$1,133,800. The estimated cost for the Historical Records portion of the program is shown in Table 1 of Attachment A.

Second, the Clerk Recorder will establish new procedures to record documents that are being presented for recordation starting July 1, 2008 so that the social security number will be truncated from any document recorded prior to being released to the public. The exact procedures and methods to accomplish this effort have not been finalized. Once the exact scope of this portion of the project is defined, the Recorder will solicit bids for a system that will truncate social security numbers from recorded documents. The anticipated scope of this portion of the project is:

1. The records from July 1, 2008 forward through December 31, 2017 must be redacted/truncated using in-house staff. There will be an estimated 1,750,000 documents with an estimated 8,750,000 pages that must go through the truncation process and then be verified by staff during this time period. The requirement to redact/truncate SSNs will continue past 2017. Truncating the documents recorded through December 31, 2017 is estimated to cost about \$480,000.

Since the Bill was recently chaptered there has been little opportunity to develop any firm cost estimates for implementing this new responsibility added to the Recorder. No other Counties contacted have any firm cost estimates. However, informal discussions with our AtPac recording system vendor as well as Sonoma, Fresno, Merced, and Contra Costa counties have brought into focus some cost parameters that were used in developing our cost estimates in Attachment A. Those cost estimates are listed in the key at the bottom of Attachment A.

Other counties have been contacted to determine the fees currently collected and the status of their SSN Truncation program. The following table is a summary of fees charged by the comparison counties and some additional counties contacted to gather information about other social security truncation programs:

County Fee Comparison

County	Board Approval to Collect SSN Truncation Fees	Basic Recording Fee	SSN Truncation Fee	Total New Basic Recording Fee	Date Started Collecting SSN Truncation Fee
Fresno	Yes	\$7	\$1	\$8	1/2/2008
Kern	In Process	\$7	-	\$7	
Monterey	Yes	\$8	\$1	\$9	1/2/2008
Sacramento	Yes	\$7	\$1	\$1	1/2/2008
San Joaquin	In Process	\$7	-	\$7	-
Solano	Yes	\$7	\$1	\$8	1/2/2008
Sonoma	Yes	\$7	\$1	\$8	1/2/2008
Ventura	Going to board early March	\$7	-	\$7	

Additional Counties Contacted

County	Board Approval to Collect SSN Truncation Fees	Basic Recording Fee	SSN Truncation Fee	Total New Basic Recording Fee	Date Started Collecting SSN Truncation Fee
Mariposa	Yes	\$7	\$1	\$8	2/1/2008
Merced	In Process	\$7	-	\$7	-
Contra Costa	Yes	\$6	\$1	\$7	1/1/2008
San Luis Obispo	In Process	\$7	-	-	-
Alameda	Yes	\$7	\$1	\$8	7/1/2008

Stanislaus County Fees

County	Board Approval to Collect SSN Truncation Fees	Basic Recording Fee	SSN Truncation Fee	Total New Basic Recording Fee	Date Started Collecting SSN Truncation Fee
Stanislaus Current		\$7	0	\$7	
Stanislaus Proposed	In Process	\$7	\$1	\$8	7/1/2008

From the fee comparison tables, you can see that Stanislaus County Fees are in line with our comparison counties and that all counties contacted plan on implementing a fee to cover the costs of the SSN Truncation program.

Since the cost of this program is much higher than the initial revenue this new fee will generate, AB 1168 has authorized the Clerk Recorder Office to borrow funds to start the program and to repay the loan with the revenue generated from this new fee. Cost associated with this loan have not been considered in the cost and revenue tables in Attachment A. It is anticipated that the Clerk Recorder Office will borrow funds from the Modernization Trust fund and then repay the funds with the revenue collected.

Estimated cost and revenue for this program is listed in Attachment A.

POLICY ISSUES:

Board of Supervisors approval of this item supports the Board's priority of efficient delivery of public services.

STAFFING IMPACTS:

There is no additional staffing impact anticipated with this request. It is anticipated that SSN truncation verification can be accomplished with existing staff. The Assistant Clerk-Recorder will oversee this project as part of the regular duties of the Office.

ATTACHMENTS

Attachment A - Cost and Revenue Analysis

Attachment A

Cost and Revenue Analysis of the Social Security Number Truncation Program

Table 1 - Estimated Costs for Program

Years	Ave. # of Documents Per Year	Avg # of Pages/doc	Number of Years	Cost per Page	Items included in cost (see key below)	Cost Estimate
Historical Records						
1980-1993	40,000	5	13	0.14	A+B+C	\$ 364,000
Missing images	30,000	5	1	0.14	A+B+C	\$ 21,000
1993-2008	156,000	5	16	0.06	C	\$ 748,800
Total Estimated Cost for Historical Records						\$1,133,800
Future Records						
2009-2012	150,000	5	4	0.06	C	\$ 180,000
2013-2017	200,000	5	5	0.06	C	\$ 300,000
Total Estimated Cost for Future Records						\$ 480,000
Total Estimated for Complete Program						\$1,613,800

Table 2 - Estimated Revenue from \$1/Document Fee

Years	Ave. # of Documents Per Year	Number of Years	Revenue per Page	Items included in cost (see key below)	Revenue Estimate
2009-2012	150,000	4	1		\$ 600,000
2013-2017	200,000	5	1		\$ 1,000,000
Total Estimated Revenue					\$ 1,600,000

Key	Description	Cost Estimate
A	Indexing to grantee/grantor names	\$ 0.04
B	Creating an electronic Image	\$ 0.04
C	Redaction/Truncation of SSN	\$ 0.06

AN ORDINANCE ADOPTING CLERK RECORDER SCHEDULE FOR NEW FEES

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, ORDAINS AS FOLLOWS:

Section 1. The Board of Supervisors hereby amends chapters 4.34 to the Stanislaus County Code to read as follows.

Section 2. 4.34 CLERK'S FEES

4.34.010 Designated

N. To support the Social Security Number Truncation Program within the Clerk Recorder Department, each chargeable recorded document will be assessed a one dollar fee effective July 1, 2008 and continue through December 31, 2017.

Section 3. The Board of Supervisors hereby adopts the Clerk Recorder Department new fee of \$1 for each recorded document for the purpose of funding a social security number truncation program. The fee will take effect on July 1, 2008 and end on December 31, 2017.

Section 4. The Board of Supervisors hereby directs the Auditor to conduct two reviews of the Clerk Recorder's social security number truncation program to verify the funds are only being used for this program. The first review must be completed not before June 1, 2012, or after December 31, 2013, and that the second review be completed not before June 1, 2017, or after December 31, 2017.

Section 5. This ordinance shall be published once before the expiration of 15 days after passage of this ordinance, with the names of the members voting for and against the same, in the Modesto Bee, a newspaper published in the County of Stanislaus, State of California, and the ordinance shall take effect either (a) pursuant to section 25123 of the Government Code, 30 days after the date of publication, or (b) pursuant to section 66017 of the Government code, 60 days following the final action on the adoption of the fees or charges, whichever date occurs first.

Upon motion of Supervisor _____, seconded by Supervisor _____, the foregoing resolution was passed and adopted at a regular meeting of the board of Supervisors of the County of Stanislaus, State of California, and the _____ day of _____ 2008, by the following called vote.

AYES: Supervisors:
NOES: Supervisors:
ABSENT: Supervisors:

Thomas Mayfield, Chairman of the Board of Supervisors of the County of Stanislaus, State of California

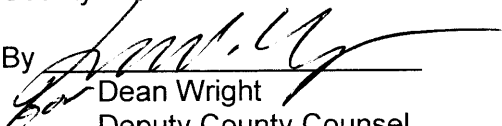
ATTEST:

Christine Ferraro Tallman
Clerk of the Board of Supervisors of the
County of Stanislaus, State of California

By _____
Deputy

APPROVED AS TO FORM:

Michael H. Krausnick
County Counsel

By  _____
Dean Wright
Deputy County Counsel

NOTICE OF PUBLIC HEARINGS

NOTICE IS HEREBY GIVEN that on April 22, 2008, at 9:15 a.m., or as soon thereafter as the matter may be heard, the Stanislaus County Board of Supervisors will meet in the Basement Chambers, 1010 10th St., Modesto, CA, to consider:

- A. Approval to Introduce and Waive the First Reading of an Ordinance to Amend the Indigent Cremation/Burial Fees to Cover Basic Costs of Cremation and/or Burial in the Sheriff's Department Coroner's Division (for further information, contact the Gina Leguria, Stanislaus County Sheriff's Department at (209) 567-4466 or at 250 E. Hackett Road, Modesto, CA)
- B. Approval to Introduce and Waive the First Reading of an Ordinance Establishing A New Fee for the Social Security Number Truncation Program in the Clerk-Recorder's Department (for further information, contact the Clerk-Recorder's Office at (209) 525-5211 or at 1021 I Street, Modesto, CA)
- C. Approval to Introduce and Waive the First Reading of an Ordinance Establishing Fees for the Stanislaus County Assessment Appeals Board (for further information, contact the Clerk of the Board Office at (209) 525-4494 or at 1010 10th Street, Suite 6700, Modesto, CA)
- D. Approval to Introduce and Waive the First Reading of an Ordinance Establishing New Fees and Amending Existing Fees for the Department of Environmental Resources (for further information, contact Denise Wood at (209) 525-6700, erweb@envres.org, or at 3800 Cornucopia Way, Suite C, Modesto, CA)

ADDITIONAL NOTICE IS GIVEN that the proposed Ordinances and Fee Schedules will be available for review on April 11, 2008, in the Clerk of the Board Office, 1010 10th Street, Suite 6700, Modesto, CA.

NOTICE IS FURTHER GIVEN that at the said time and place, interested persons will be given the opportunity to be heard. Material submitted to the Board for consideration (i.e. photos, petitions, etc.) will be retained by the County. If a challenge to one or more of the above items is made in court, persons may be limited to raising only those issues they or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Board of Supervisors.

BY ORDER OF THE BOARD OF SUPERVISORS

DATED: March 25, 2008

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk of
the Board of Supervisors
of the County of Stanislaus,
State of California.

BY:


Elizabeth A. King, Assistant Clerk

**DECLARATION OF PUBLICATION
(C.C.P. S2015.5)**

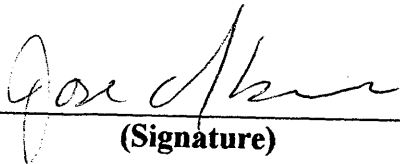
**COUNTY OF STANISLAUS
STATE OF CALIFORNIA**

I am a citizen of the United States and a resident
Of the County aforesaid; I am over the age of
Eighteen years, and not a party to or interested
In the above entitle matter. I am a printer and
Principal clerk of the publisher
of **THE MODESTO BEE**, printed in the City
of **MODESTO**, County of **STANISLAUS**,
State of California, daily, for which said
newspaper has been adjudged a newspaper of
general circulation by the Superior Court of the
County of **STANISLAUS**, State of California,
Under the date of **February 25, 1951, Action
No. 46453**; that the notice of which the annexed is
a printed copy, has been published in each issue
there of on the following dates, to wit:

APRIL 11, 17, 2008

I certify (or declare) under penalty of perjury
That the foregoing is true and correct and that
This declaration was executed at
MODESTO, California on

APRIL 17, 2008


(Signature)

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BY ORDER OF THE BOARD OF SUPERVISORS
DATED: March 25, 2008
ATTEST: CHRISTINE FERRARO TALLMAN,
Clerk of the Board of Supervisors of the County of
Stanislaus, State of California.
BY: Elizabeth A. King, Assistant Clerk
APRIL 11, 17, 2008

ORA-55-6-11
ORA-55-6-8
ORA-55-6-7